## **IN THE CLAIMS:**

Please amend the claims as follows:

1. (Currently amended) A method of producing a polymer-clay nanocomposite, comprising the steps of:

providing a supply of polymer-clay mixture comprising a polymer and clay;
exfoliating the mixture clay through solid-state shear pulverization in the presence
of cooling sufficient to maintain the extruded mixture in the solid state during the
pulverization; and

discharging the resulting exfoliated mixture as a polymer-clay nanocomposite containing the exfoliated clay.

- 2. (Canceled)
- 3. (Currently amended) The method of claim 1, wherein the polymer clay mixture comprises at least about 3 wt% organoclay.
- 4. (Currently amended) The method of claim 1, wherein the polymer-clay mixture comprises about 10 wt% organoclay.
- 5. (Currently amended) The method of claim 3, wherein the organoclay contains between about 40-50 wt% clay and between about 50-60 wt% organic content.

- 6. (Original) The method of claim 5, wherein the organoclay is a montmorillonite.
- 7. (Original) The method of claim 1, wherein the polymer-clay mixture comprises a polymer selected from the group consisting of polypropylene, polyolefins, polystyrene, polymethacrylates, poly(ethylene-co-vinyl acetate), polyhydroxystyrene, poly (vinyl pyridine), polyvinylalcohol, polyacrylamide, polycaprolactone, copolymers of ethylene, copolymers of propylene, copolymers of acetate, poly (ethylene terephthalate), nylon, and blends thereof.
- 8. (Currently amended) The method of claim 1, including the further comprising a step of cooling a pulverizer barrel with a chilled fluid at to about 10° Celsius during the pulverization.

## 9-17. (Canceled)

- 18. (New) The method of claim 1, wherein the clay comprises an organoclay, and wherein the polymer comprises a nonpolar polymer.
- 19. (New) A method of producing a polymer-clay nanocomposite, comprising the steps of:

melt extruding a polymer-clay mixture comprising a polymer and clay;

exfoliating the clay through solid-state shear pulverization in the presence of cooling sufficient to maintain the mixture in the solid state during the pulverization; and discharging the mixture as a polymer-clay nanocomposite containing the exfoliated clay.

- 20. (New) The method of claim 19, wherein the mixture comprises at least about 3 wt% organoclay.
- 21. (New) The method of claim 19, wherein the mixture comprises about 10 wt% organoclay.
- 22. (New) The method of claim 20, wherein the organoclay contains between about 40-50 wt% clay and between about 50-60 wt% organic content.
- 23. (New) The method of claim 22, wherein the organoclay is a montmorillonite.
- 24. (New) The method of claim 19, wherein the polymer-clay mixture comprises a polymer selected from the group consisting of polypropylene, polyolefins, polystyrene, polymethacrylates, poly(ethylene-co-vinyl acetate), polyhydroxystyrene, poly (vinyl pyridine), polyvinylalcohol, polyacrylamide, polycaprolactone, copolymers of ethylene, copolymers of propylene, copolymers of acetate, poly (ethylene terephthalate), nylon, and blends thereof.

- 25. (New) The method of claim 19, further comprising a step of cooling a pulverizer barrel with a chilled fluid to about 10° Celsius during the pulverization.
- 26. (New) The method of claim 19, wherein the clay comprises an organoclay, and wherein the polymer comprises a nonpolar polymer.